

# WEATHER FORECAST.

Rain to-day; to-morrow colder and probably fair; strong south winds. Highest temperature yesterday, 31; lowest, 12. Detailed weather reports on editorial page.



# The Sun

IT SHINES FOR ALL

VOL. LXXXVII.—NO. 143.—DAILY.

NEW YORK, WEDNESDAY, JANUARY 21, 1920.

PRICE TWO CENTS.

# ASSEMBLY INDICTMENT CALLS SOCIALISTS TRAITORS TO U. S.; HILLQUIT WARNS PARTY CANNOT BE TRIED; MAKES THREATS; HUGHES AND LEGAL ASSOCIATES BARREL FROM THE TRIAL

## SIMS REFUSES TO WEAR A GAG AND BE TIMID

Officer Afraid to Speak Is Not Worth Powder to Blow Him Up.

## TALKS AT DINNER HERE

Rear Admiral Asserts War Medals Have Become Almost Valueless.

Defending naval officers who tell of faults that must be corrected to prevent future trouble, Rear Admiral William S. Sims kept 500 diners at the Waldorf last night alternately laughing and gasping. He proved that he is not thinking of pulling in his horns the slightest bit in his controversy with Secretary of the Navy Daniels. He said if it were not for the vicious naval regulation which prevents an officer from making public criticism and thus creating public opinion all the trouble that has come about would never have existed.

As for his own position and his criticism of the Administration and of the awarding of medals, he made it clear when he said that an officer can consider on the one hand his personal comfort and on the other hand the future mistakes that may be averted if he speaks his mind. The audience rose to him with a tremendous cheer when he added:

"If the officer resolves this in his mind and then decides on the side of personal comfort he not only is not worth the pay the Government gives him, but he is not worth the powder to blow him to hell."

## He Draws a Picture.

The Admiral spoke of the differences of opinion over the medals and over the administration of the navy during the war as two "rows." He said that what he had done in the matter of the medals made little difference now, for there has been so much talk that the medals were almost valueless. "For," he added with a most engaging chuckle, "naval officers do not want their grandsons to come up to them and lifting their medals say, 'Granddaddy, what ship did you lose during the great war?'"

This reference to the awarding of medals in violation of what Admiral Sims told Secretary Daniels was the tradition of the navy provoked a roar of laughter in the Waldorf ballroom and the Admiral's efforts to resume his own wonted gravity were not highly successful.

Admiral Sims was one of the speakers at a complimentary dinner tendered to general officers of the army and flag officers of the navy and given under the auspices of the Army and Navy Club. He made his dining speech in the presence of a company of admirals, many of whom were in blue and olive drab and who were distinguished figures in the war and who, so far as the naval men were concerned, were permitted to wear their decorations by special sanction of Secretary Daniels.

Rear Admiral Sims was introduced by Rear Admiral Bradley A. Fiske, retired, who referred to Sims as a natural leader of men. Such men, Admiral Fiske said, do not force others to follow them; they inspire them.

## Says He Is Embarrassed.

Admiral Sims referred to notes on a table in front of him. He said: "I am embarrassed because I have been tried by a clever American correspondent as the most unimportant speaker. I have acquired a reputation for indiscretion. (Laughter.) If I get away with this to-night without indiscretion I will be much surprised."

"I think I know what is in your mind. You'd like to have me tell you what the matter with the navy."

The Admiral said that there had been some misrepresentation, both intentional and inadvertent, and he wanted to review that a bit. He said that as a result of misrepresentation there were now "two separate and distinct rows going on at the same time."

"One row," he said, "has been caused through a difference of opinion about medals. The impression has been conveyed to a certain extent, that I have been the aggressor. As a matter of fact I saw trouble coming some way off and did what I could to avoid it."

## Wants to Correct Impression.

He then said that everything that he knew about had been presented to the navy in official or semi-official correspondence. He continued: "I want to correct an impression that this was an act of insubordination on my part. There has been a hint in the press of disciplinary action. There is nothing of the kind. The regulations of the United States Navy provide that any officer who thinks he can helpfully criticize an act of the Department is in duty bound to do so. Some officers do not carry out this regulation."

"The Secretary of the Navy himself invited criticism from any officer on lessons of the war. In such a case if errors have been committed which, at-

## FOUR DIE OF 50 CAUGHT BY FIRE IN MAIDEN LANE

Many Jewellers and Their Employees Have Narrow Escapes.

## LOSS MAY BE \$200,000

One Victim in Window Is Enveloped in Flames as Firemen's Ladder Nears Him.

Occupants of office buildings and stores in the vicinity of Broadway and Maiden lane heard three explosions yesterday afternoon coming from the five story structure at 15 and 18 Maiden lane, occupied by jewelry stores and jewelry manufacturing concerns. Only a few minutes later the entire upper portion of the building appeared to burst into flames, with billows of black smoke rolling from the windows and from the breaks which the flames soon made in the roof.

More than fifty persons, all members and employees of the various firms, were trapped in the building, and the fire spread with such rapidity that three men were burned to death before firemen could reach them or gain control of the flames, and another man was burned so seriously that he died in a hospital a few hours later.

The three who died in the building were Benjamin Stambler of 32 E. 11th street, New Brighton, Staten Island, killed as he tried to crawl through a "curth" story window; his brother Harry, whose body was found lying on the floor near by, and L. W. Girdansky of 622 West 14th street, whose body, burned and scorched almost beyond recognition, lay close to that of Harry Stambler. Girdansky had recently sold Stambler his shop and was on a visit to the brothers.

## Two Injured in Grave Condition.

Of the half dozen or more injured, George Tarrant of 384 Madison street, Brooklyn, who is in the Volunteer Hospital, and John A. Longhouse of 1174 Jamaica avenue, Longhousen, taken to the Broad Street hospital, may die. They were carried from the top floor down the fire escape past a window that appeared to those watching below as the door of a furnace.

Emanuel Lambert of 278 Van Sicken street, Brooklyn, was the fourth man to die. He had been on the fourth floor, and, finding the way cut off both by stairs and fire escape, had resorted to the window. Spectators saw him waving for help and heard him shout that he could hold on longer.

The firemen raised a sixty foot extension ladder to reach him, but the fire burst forth at that window just then and he was powerless. Lambert crawled along the ledge a few feet and then dropped, his clothes ablaze. Lambert, who had been employed by Morris Kaplan, died a few hours later in the Broad Street hospital.

The loss is estimated at between \$100,000 and \$200,000. So far as could be learned this was mostly to the building. Stocks of diamonds and other jewelry held by Bolive & Bittes on the second floor and James H. Dedericks on the ground floor were not damaged, it is understood, though all the offices were heavily drenched.

The building is situated a block east of Broadway. Within ten minutes after the first alarm sounded at about 4 o'clock black smoke clouds settled over the region and far up Broadway, darkening all as if it were midnight. Occupants of all buildings in the vicinity hastened to the street.

## Burned as He Discovers Blaze.

The first indication that any of the occupants on the third floor had of their peril was when Herman Goldstein, employed in the Interboro Medal and Badge Company, was told to deliver a letter to some one in another part of the building. Goldstein opened a door to the hall and saw that it was in flames. Before he could get it shut his eyebrows and hair were singed.

Goldstein said the fire seemed to have started in the hallway between the third and fourth floors.

The first alarm brought several engines. The fire had enveloped the third and fourth floors and was leaping out windows on both sides of the corner building. John Blinn, Deputy Fire Chief, turned in a second alarm as soon as he saw the fire in the Maiden lane Broadway and without waiting to investigate. This brought Chief Kenon.

## FACTORY FIRE KILLS SIX.

Ruins of Philadelphia Plant May Yield More Victims.

PHILADELPHIA, Jan. 20.—Six men are known to be dead and six more injured, two seriously, in a fire which swept out last night the interior of the cabinet works of Robert Tario & Sons. At midnight it was believed at least five more bodies might be found in the ruins.

It was at 5:10 o'clock, and 100 employees of the Tario company were at work on the four floors of the building when Patrolman Harris turned in four alarms and then rushed into the burning building to help the bewildered workmen to safety.

Great quantities of lumber were used, as was the piled up shavings on the first floor ignited the lower part of the building was swept from end to end.

Many of the employees were trapped by the smoke and flames and overcome.

## German Government Tightens Grip on Banks

LONDON, Jan. 20.—A wireless despatch from Berlin says the German Government has issued a regulation increasing the control of the banks to prevent the transfer of German capital to foreign countries. One clause, important to foreigners, says that mark credits of firms and persons residing abroad will only be given with consent of the Reichsbank.

All documents respecting diplomatic intercourse between Berlin and Washington before the German peace offer of 1918 and the events leading to the proclamation of Poland's independence will be published in Berlin.

## LODGE CONFABS FACE THREATS

"Fraud," Cry Mild Reservationists Who Talk of Compact With Democrats.

## COMPLAIN ABOUT DELAYS

Conferees Agree on One Treaty Point, Said to Be That Concerning Shanting.

## Special Despatch to The Sun.

WASHINGTON, Jan. 20.—The negotiators for treaty ratification terms were a shade more hopeful to-day, but their mild optimism was fully offset by the decided restiveness of other people.

A general feeling is expanding in the Senate that the informal conferences in the office of Senator Lodge (Mass.) are a good deal of a fraud, that they are not going to lead to anything, and that some other procedure must be devised if results shall be effected.

This sentiment was reflected in comments of the mild reservationist Republicans to-day, some of whom asserted that it was all nonsense to hope for agreement in the conference because Senator Lodge controlled his Republican associates and would not relax his grip on a lot.

Also from the camp of the mild element arose the suggestion that the conferees will have only a day or two more for their talk; then if they fail to agree a motion will be made in the Senate to take up the treaty for consideration. This motion will raise the question whether a majority is competent to get it before the Senate, some authorities insisting that it requires a two-thirds majority. The motion will require a ruling by the Vice-President, and if he holds that a simple majority is enough the "milds" think four or five of their group will join the Democrats, sustain the ruling and force the treaty up.

## Chance to Restart Battle.

After the delay—which means that all the vest pocket reservations and schemes of compromise that have been personally conducted about chamber and cloak rooms for several weeks by their ambitious sponsors will be dumped into the Senate, and it will start the struggle all over to find a basis of agreement.

Some of the "milds" believe that there is a chance of agreement, in view of the increasing realization that disposition of the treaty is highly important. On the other hand, others of the same group frankly declare that if the conference now progressing leads nowhere it will be useless to try to get anywhere by other processes.

## Reversion to Knox Plan.

That, of course, means recurrence to the Knox plan of peace by act of Congress. Senator Underwood thinks the reconciliation committee plan should get a tryout, and then the country will be ready to believe if it falls that peace must be restored by other than treaty-making processes, and it may be possible to accomplish this end.

While these considerations were being discussed among Senators at large the nine conferees worked all day in Senator Lodge's office. After they adjourned Senator Lodge said they had agreed on one point, but he was pledged not to reveal it.

By a process of elimination it was assumed that the agreement probably related to the Shantung reservation. The Democrats all along have insisted that the name of China and Japan should be omitted from this reservation.

The conferees will be resumed tomorrow afternoon.

## LAKE CHICKENS' MADISON ROX, GARDEN, POLITY SHOW.

Jan. 20 to 24.—Adm.

## BRITAIN MAKES ATTACK ON HIGH INTEREST RATES

Offers at Par Indeterminate Amount of 5-3-4 Bonds to Refund Issues.

## A VARIABLE MATURITY

Sixteen Days of Free Interest Given to Raise First Year's Yield.

## Special Cable Despatch to The Sun.

LONDON, Jan. 20.—The British Government to-day made a definite assault on the high interest rates prevailing the world over. The Treasury is attempting to refund three maturing issues of exchequer bonds, aggregating £211,000,000, nominally \$1,000,000,000, by offering at par an indeterminate amount of 5½ per cent. exchequer bonds maturing in 1925.

This issue affords a unique study of the present money market, because the ingenuity of the Treasury has been taxed to induce holders of maturing bonds to convert them, as well as to persuade the public to buy for cash. A number of new features have been introduced to achieve this end.

In the first place, it is arranged to give sixteen days of free interest bringing the first year's yield of the new bonds up to 6 per cent. The privilege also is given to holders to file a year's notice in any January, beginning in 1921, to have the bonds paid off a year later. Thus instead of a five year issue the holder may recover his principal at the end of two, three or four years. This is intended to overcome the difficulty of determining a definite maturity date and is intended to satisfy all concerns.

The maturing of £211,000,000 of exchequer bonds consists of three issues: the due dates of which follow: Six per cent., February 15; 5 per cent., March 24; 5 per cent., December 1. It was necessary to tempt the holders of six per cent. to convert without giving too much to the 5 per cent. The sixteen days free interest was invented for this purpose.

It would have been easy for the Treasury to float a 6½ per cent. new issue, but this is against the principles of deflation which the Government holds to achieve by reducing gradually the yield of new bonds. The difficulty of doing this may be realized by a glance at the money rates. The very best three months trade bills are discounting at 6½ per cent.; six months bills at 6½, with very little inquiry for such long paper. Day to day money is erratic, fluctuating between 7½ and 8 per cent.

The fact that the new bonds are issued at 5½ per cent. is taken as an indication that there is no possibility of an increase in the bank rate. This issue, however, does not make it certain that the Government will be out of the Treasury market for the rest of the year. That all the year's maturities are covered, so far as exchequer bonds are concerned, does not settle the question of the floating debt. A large quantity of Treasury bills still remains to be taken care of and it is believed that if the present issue goes well the floating debt will be dealt with later in the year.

## ASKS FOR REMOVAL OF FEDERAL OFFICIAL

House Resolution Attacks Edward Keating of Colorado

WASHINGTON, Jan. 20.—A concurrent resolution proposing that Congress remove Edward Keating, a former Representative from Colorado, as secretary of the Congressional Commission for Reorganization of Salaries of Government Employees, was introduced to-day by Representative Blanton (Tex.) and referred for consideration to the House Committee on Reform in the Civil Service.

In the resolution Mr. Blanton accused Keating of unwarranted promises of salary increases to the Government workers and of denouncing members of Congress because of their opposition to the Plumb plan for tripartite control of the railroad.

While employed by the commission Mr. Keating, according to the resolution, was employed also by the Plumb Plan League "to disseminate vicious propaganda and to edit and distribute a newspaper of Socialistic and Bo-havistic sentiment, which is engaged in exploiting railroad employees and organized labor generally by the expenditure of \$10,000,000 that is being wasted and misapplied by the Plumb Plan League."

## URGES INCREASED PRODUCTION

Acting Premier Says Raising Wages Won't Cure Shortage.

MONTREAL, Jan. 20.—Increased production is the only remedy to meet the world shortage of supplies caused by the war, Sir George Foster, acting Premier and Minister of Trade and Commerce, declared to-day in an address.

Efforts to meet abnormal conditions by raising wages and overthrowing established government and wages of society were futile, he said.

## ADRIATIC ISSUE IN TENSE STAGE; COUNCIL QUILTS

Italy to Demand Fulfillment of London Treaty if Jugo-Slavs Reject Terms.

## NITTI IN DEFIANT MOOD

Reply to Ultimatum Brings Threat to Withdraw Offer to Compromise.

## By the Associated Press.

PARIS, Jan. 20.—The Supreme Council broke up to-night without a settlement of the Adriatic question. Signor Nitti, the Italian Premier, declared that he stood by his ultimatum that if the Jugo-Slavs did not accept Italy's terms to-night he would withdraw his compromise offer and that "Italy will demand that France and Great Britain execute purely and simply the treaty of London of April, 1915."

Prior to the breaking up of the council the Jugo-Slav reply to Italy's demands had been presented. Signor Nitti declared that the Jugo-Slav terms were unacceptable. The note said that it constituted "the supreme effort" of Jugo-Slavia to bring about an agreement with Italy. This fact, taken in connection with Premier Nitti's statement, apparently leaves the situation a tense one.

Signor Nitti left this evening for Rome, and David Lloyd George, the British Prime Minister, will depart for England to-morrow morning. M. Clemenceau indicated this evening that he would turn over the affairs of the council to-morrow.

The "supreme effort" in the way of concessions to effect an agreement with Italy, accept internationalization under the League of Nations for Fiume and Zara, concede to Italy the islands of Lussina and Pelagosa, and agree to the demilitarization of the Adriatic islands with the condition that the island of Lissa remain Jugo-Slav.

The right of the Italians in Dalmatia to choose Italian nationality without leaving Jugo-Slavia is recognized by the Jugo-Slavs, who also agree that Italian national rights in Dalmatian industries shall be strictly by the terms of the convention. They refuse to make any alteration of the line drawn by President Wilson, which has the effect of depriving Italy of the strip of Istria, which she demanded so that her territory would run contiguous with that of Fiume. It would have meant moving the line twelve miles to the eastward.

The official communication of the council issued this evening says:

"The council took cognizance of the Jugo-Slav answer to the Italian plan for settlement of the Adriatic question. The Jugo-Slav Government having made reservations, it has been asked to give a definite reply on the subject between the end of the week. M. Pachitch and M. Trumbitch (the Jugo-Slav representatives) were heard."

WASHINGTON, Jan. 20.—It was officially stated to-day that there had been no change in the American position regarding the settlement of the Adriatic question since announcement of this country's attitude by the President in Paris, and that there is a determination to abide strictly by the terms of the agreement with Jugo-Slavia for the adjustment of the claims of that country and Italy for the territories bordering the Adriatic.

Therefore any supplemental agreement between the Premier and council members in Paris which does not square with the American position officials consider unlikely to receive American approval and must be enforced without participation by the United States Government.

## GEN. DENIKINE FORMS NEW GOVERNMENT

Novo Rossysk Is Capital—People Favorably Disposed.

LONDON, Jan. 20.—Gen. Denikine, leader of the anti-Bolshevik forces in southern Russia, has formed a new Cossack Government, with Novo Rossysk as the capital. It is declared that the reception of the new Government by the people is apparently favorable.

## UNITED RED ATTACK ON POLES EXPECTED

WASHINGTON, Jan. 20.—Official reports received in Washington said there was every probability that the new republic of Poland soon would be defending its independence against a massed attack of the forces of Bolshevik Russia. Concentration of units of the Red army, forced elements from the Polish army, and the State-owned munition works point to this new development, it was said, and military observers here were said to be frankly apprehensive of Poland's chances of withstanding the onset.

## MILLIONS IN NOTES SANK WITH AFRIQUE

Liner Carried Twenty Thousand Franc Bills.

BORDEAUX, Jan. 20.—Brand new 1,000 franc notes of the Bank of France to the value of 20,000,000 francs went down recently in the Bay of Biscay when the French steamer *Afrique* sank, according to the *Liberte de Bordeaux*. The funds were destined for the treasury of French western and French equatorial Africa.

It is asserted that the cargo of the *Afrique* was valued at 17,000,000 francs, and that the ship was insured for 6,000,000 francs.

## Flu Epidemic in Army; Invades Camps Abroad

WASHINGTON, Jan. 20.—Influenza has become epidemic in several army camps, particularly in the middle West, Surgeon-General Ireland of the army announced to-day, and it has made its appearance among the American troops in Germany. While the disease is increasing among the civilian population of the United States, it has not reached epidemic form and Surgeon-General Ireland of the public health service, said to-day there was nothing in the situation to cause alarm.

Epidemics have been reported from Camps Grant at Rockford, Ill., and Fort Sheridan, Lovelock, Tex., and the Great Lakes Naval Training Station, but the number of men in those camps is much smaller than it was during the war, when influenza caused thousands of deaths among the service men.

## CAUCASUS CRIES FOR ALLIED MEN

Paris Report Is 200,000 Troops Will Be Sent to Oppose Bolsheviki.

## COUNCIL HEEDING CALL

Georgian Republic Hopes to Hold Out if Munitions and Soldiers Are Sent.

LONDON, Jan. 20.—A despatch to the Central News from Paris says the forces the Supreme Council will send to oppose the Bolsheviks in the Caucasus are expected to number 200,000.

The correspondent adds it is reported that there is a serious Communist uprising in Bessarabia, besides disturbances in Sofia.

PARIS, Jan. 20.—Confidence in the ability of the Georgian republic, in the Caucasus, to hold out against any Bolshevik advance if the Allies send the necessary supplies and war materials is expressed by M. Gobeitchi, one of the Georgian delegates here. He appeared before the supreme council with a representative of the Azerbaijan Government, and it was understood that the council considered measures for aid to these States for defense of their frontiers against the Bolsheviks.

There has been no announcement that it was the purpose of the Supreme Council to dispatch forces to the Caucasus to combat the advance of the Bolsheviks. A despatch from Malta dated Friday announced that orders had been received for a number of naval vessels to leave Malta, apparently for the Black Sea. The British Admiralty said it might be taken for granted that these ships were proceeding to the Black Sea to protect British subjects and interests.

## NEW FRENCH BUDGET SHOWS BIG DEFICIT

Even Proposed Taxes Do Not Cover Needs.

PARIS, Jan. 20.—The budget, which M. Klotz, the retiring Finance Minister, would have introduced in the Chamber to-day had he remained in office has been made public. Interest in the budget lies in the possibility of the new Cabinet adopting its provisions in order to save the country from a deficit of 4,000,000,000 francs, ordinary resources, 3,868,000,000, showing a deficit of 4,898,000,000 francs.

New permanent taxation proposed for the purpose of meeting this deficit includes a tax on business turnovers of 10 per cent., generally, but from 5 to 10 per cent. for non-essential commodities, by which it is calculated to raise 4,200,000,000 francs, this tax replacing the luxury tax now in force; increased indirect and war taxes amounting to 1,562,000,000, a tax on acquired wealth of 1,441,000,000, increased postage and other services 219,000,000, receipts through suppression of fraud 58,000,000, refined oil monopoly 35,000,000, prescription of unpaid dividends for the benefit of the State 27,000,000. This leaves 22,000,000 francs still unprovided for.

## Six Seized Ships to Be Sold.

WASHINGTON, Jan. 20.—Sale of six former German cargo vessels, approximately 10,000 deadweight tons, at a price to be fixed after an appraisal by a committee of Shipping Board officials and independent shipping men, was agreed on to-day by the board.

## HARTSHORN, FALES & Co. Members N. Y. Stock Exchange, 11 Broadway.

advs.

## BURGLAR COP CONVICTED BY PAL ON FORCE

Crouse Found Guilty of Stealing Skins Valued at \$18,000.

## WAS UNIFORM LOOKOUT

Row Over Division of Spoils of Brooklyn Factory Led to Betrayal.

Patrolman Herman Crouse, "a Dr. Jekyll and Mr. Hyde," according to District Attorney Lewis, was found guilty last night of grand larceny and burglary by a jury before Supreme Court Justice Kapper in Brooklyn.

The verdict was returned with a despatch that stunned the impassive prisoner. The jury left the court room at 5:40 P. M. A few minutes later Justice Kapper declared a recess until 7:30, during which time the jurors ate dinner. Promptly at 7:30 they announced that they had agreed upon a verdict of guilt.

The verdict convicts Crouse of complicity in the theft of 4,400 opium and fox skins valued at \$18,000 from the factory of Starobin & Dubin at 715 Herkimer street, Brooklyn. Another policeman, Peter Rueger, is under indictment in the case. He, however, turned State's evidence and his testimony helped materially to convict Crouse his former "pal," "Eddie" Cannon, 27, a chauffeur, the third man indicted, added another link in the chain which fastened itself about Crouse.

Rueger said it was Crouse who, meeting him in night patrol in the Atlantic avenue precinct, broached the subject of looking the Starobin & Dubin factory. Cannon declared he drove Crouse and other several times to the vicinity of the factory so that the policeman and his cronies could inspect the ground included among the others is "Ed" Werle, of 103 Charles street, Manhattan, well known to the police and described to Rueger by Crouse as "a good safe man." Another is "Benny" Sternberg, "Benny," it will be recalled, was plucked from his haunts several years ago by the police in connection with the murder of Mr. Elsie Lee Hilair at the Hotel Martinique. He subsequently was released. Both he and Werle are under indictment in the present case. Benny, however, cannot be found.

Unexpected, after the prosecution had rested its case, was the announcement of William J. Fallon, Crouse's lawyer, that he had secured a continuance of the case until the next morning. He called a witness. In his summing up he charged that two thieves, Rueger and Cannon, had conspired to save their own skins by convicting Crouse. He spoke of the distance that would attach to Crouse at being adjudged guilty. District Attorney Lewis declared that while it might be a disgrace to Crouse, it was a greater disgrace to the people of Brooklyn and to the Police Department to have a man "who guards our homes a burglar part of the time." He referred to Crouse as "a master mind."

Crouse will be sentenced to-morrow morning. He faces a long prison term. He is married, 41 years old, and lives at 433 Enfield street. He has been patrolling the streets of the Atlantic avenue precinct for the past four years. District Attorney Lewis declared the conviction "was a most important one," and added that he would bring the others indicted on to trial quickly.

## Chairman Martin Bares Scope of Charges Against Castouts.

HEARINGS STARTED

Bar Association Leader Netted When Ruling Is Adverse.

## FAIR PLAY IS PROMISED

Intense Interest Shown by Spectators—Statements Issued.

ALBANY, Jan. 20.—It became evident beyond any dispute here to-day that in addition to the five Assemblymen under charges the entire Socialist party in the United States is under investigation by the New York State Assembly.

Furthermore, in the opinion of men concerned with the investigation, if the case against the accused men is established on the broad lines indicated in to-day's developments, similar action in other Legislatures and wherever Socialists hold public office must follow.

If the accused Assemblymen were ever in doubt in regard to the nature of the charges that were to be lodged against them that doubt was swept aside to-day when Chairman Louis M. Martin of the Assembly Judiciary Committee read into the record a statement on behalf of the committee which in this instance constitutes the indictment against the accused.

Charges, in short, that the five men under investigation are members of a party whose principles and doctrines as advocated to-day demand the complete destruction of existing forms of government by the fomentation of industrial unrest, the adoption of violence where necessary and the substitution of minority for majority rule. In addition, counsel for the committee promised to show that the accused men were so committed to these principles that their resignations were on file with their governing councils, to be produced whenever, in the option of their masters, they may be regarded as derelict in their duty to the cause.

## Hillquit in Defiant Mood.

Although he was quick to deny that any threats were implied Morris Hillquit, chief counsel for the Socialists, after the committee's statement had been read and during the course of argument on a motion to dismiss the entire proceedings, delivered himself of some observations and advice to the committee that, figuratively speaking, made every anti-Socialist in the crowded Assembly chamber see red.

"The Socialist movement," Hillquit said, "cannot be tried, cannot be found guilty, cannot be outlawed, cannot be suppressed."

"This proceedings may be delightful and novel to you; it isn't new to us. It has been tried before."

Hillquit added that attempts to suppress Socialism had been undertaken by the Czar and the Kaiser, and he asked the committee to consider their fate. He added that it would be the part of folly to believe that the Socialist party feared suppression while half of the world was under its control. Hillquit completed his argument by warning the committee that if it persisted in its "concomitant act" it would loosen the violent reaction that the Socialists sought to stem.

"As a party," he said, "we are not afraid of you. As fellow citizens we say, gentlemen, take care of what you are about to do."

Later, in reply to Martin W. Littleton of counsel for the committee, Mr. Hillquit declared that his utterances were not delivered in the nature of a threat.

"On the contrary," he said, "it was a sort of love affair. I was merely informing you to be as good and peace loving as we Socialists are. That was an entreaty and it was intended to be."

In two other respects the day's developments went against the accused. In the first place Charles E. Hughes and other prominent lawyers, constituting a committee of the Association of the Bar of the City of New York, were permitted to voice in opposition to the Assembly's procedure. While in no way condoning the Socialist principles, this committee was prepared to oppose the method of procedure, and its failure to permit a distinct disavowment to the Socialist delegation. Mr. Hughes, however, did manage to get into the record a recommendation that the Judiciary Committee report to the Assembly that no charges affecting the qualifications of the five Assemblymen are properly before it.

As the recommendation, however, is not before the committee in any official way it can and will be ignored.

Mr. Hughes plainly was annoyed at the failure of the committee to hear him. When Chairman Martin denied his request he hastily crammed a handful of papers into his brief case and left the chamber, followed by Morgan J. O'Brien, Louis Marshall, Ogden L. Mills and Joseph M. Prosser, the other members of the committee, neither of whom spoke.

The second setback the Socialists received came when John R. Stanchfield permitted a statement to be read in which he was accused of having been in quarters in the belief that they would get a fair hearing. On Monday night Mr. Hillquit had said that if he believed that his clients were not to be